

# **State of Alaska FY2005 Governor's Operating Budget**

## **Department of Health and Social Services Work Services Component Budget Summary**

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## Component: Work Services

### Contribution to Department's Mission

Work Services empowers Temporary Assistance recipients to attain economic self-sufficiency through employment.

### Core Services

The Work Services component:

- Funds grants and contracts to community and faith-based organizations to deliver welfare-to-work services. Services include job readiness and placement, job retention and advancement, transportation assistance, family mentoring, case management and other support services for Temporary Assistance recipients;
- Assists program participants to gain paid employment at the earliest opportunity;
- Supports local initiatives to promote and support family self-sufficiency;
- Provides wage subsidies to employers who create new jobs and hire welfare recipients to fill the positions;
- Collaborates with partner agencies to help move families from welfare to work;
- Provides employment and training services to Food Stamp recipients;
- Develops employer-based, short-term training opportunities in demand occupations for welfare recipients;
- Promotes employer and community involvement in welfare-to-work efforts;
- Helps meet federal TANF objectives to reduce and prevent out-of-wedlock and teen pregnancies including strategies to address the issue of male responsibility and culpability in statutory rape prevention;
- Supports partnership with Department of Labor and Workforce Development for the delivery of welfare-to-work services, and;
- Monitors activities and performance of service providers to ensure program objectives and outcomes are met.

### FY2005 Resources Allocated to Achieve Results

**FY2005 Component Budget: \$16,168,800**

**Personnel:**

Full time	7
Part time	0
<b>Total</b>	<b>7</b>

### Key Component Challenges

Ultimately, the success of the Division's Work Services programs and policies rests on the viability and diversity of the state's economy. Challenges include:

- Ensuring continued commitment to work services activities that result in families moving off welfare
- Providing meaningful work activities and promoting employment opportunities for families living in economically depressed regions of the state
- Developing strategies that provide enhanced services and support self-sufficiency for families with multiple or profound challenges to economic self-sufficiency
- Assessing and addressing impacts of TANF re-authorization, e.g., increased work participation requirements, new performance expectations, expanded federal reporting requirements, investment in healthy marriage and fatherhood initiatives and outcomes
- Building stronger interagency collaborations to better serve shared customers in order to increase administrative efficiency
- Continuing to meet federal work participation rates in FY2004-2005: 50% of all families and 90% of all two-parent families must participate in a defined "work activity"

## Significant Changes in Results to be Delivered in FY2005

- In FY2004, DPA expanded privatization of work services in the Anchorage/Mat-Su area. Privatization of work services and expansion of outcome-based contracts will continue in FY2005.
- In FY2003, DPA issued the first outcome-based contracts and implemented an on-line performance measures monitoring system. In FY2005, the division will implement improved monitoring protocols to help improve the performance of grantees and contractors delivering work services.
- Improvements in service delivery, expansion of outcome based contracts, and enhanced monitoring will enable the division to meet federal work participation requirements for FY2005 and improve the state's chances of winning additional High Performance Bonuses.

## Major Component Accomplishments in 2003

- For calendar year 2003, 50% of adult Temporary Assistance recipients were engaged in activities; 30% were employed.
- Met and exceeded FFY2003 federally mandated work participation rates. Meeting the FFY2003 two-parent participation rate eliminated the threat of fiscal sanctions for failure to meet the rate in prior years.
- In January 2003 the division implemented Job Start, a wage subsidy program for businesses that create new jobs and hire welfare recipients to fill the positions. Temporary Assistance benefits are used to subsidize the wage and clients get a paycheck instead of a welfare check. Since the advent of Job Start, there are 55 additional families moving toward self-reliance and 55 newly created jobs that are helping Alaskan employers expand their business.
- In September 2003, the division was awarded \$6.3 million in Federal TANF High Performance Bonuses for federal fiscal years 2001 and 2002. In FFY2001 Alaska placed first in the nation for Job Entry and received a bonus of over \$3.1 million for that achievement. For FFY2002 Alaska received an additional bonus of over \$3.1 million and was 6th in the nation for Job Entry. The FFY2002 bonus payment included awards for Success in the Work Force and for enrollment in Medicaid.
- Outcome-based grants and contracts were first awarded in FY2003 and tracked with the new online performance reporting system used to monitor service providers.
- In September 2003, following an assessment of FY2003 performance, the division issued the first incentive payments to work services contractors who exceeded Work Services performance targets.
- In October 2003 DPA expanded the privatized delivery of work services for TA clients in the Anchorage area and on the North Slope to further improve employment outcomes.

## Statutory and Regulatory Authority

AS 47.27.005 Alaska Temporary Assistance Program  
7 AAC 45

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### Work Services Component Financial Summary

*All dollars shown in thousands*

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	514.3	570.5	523.0
72000 Travel	195.9	160.3	150.5
73000 Contractual	9,013.0	10,334.1	11,054.2
74000 Supplies	3.8	4.7	4.7
75000 Equipment	3.1	10.0	10.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	4,741.2	5,264.3	4,426.4
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>14,471.3</b>	<b>16,343.9</b>	<b>16,168.8</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	11,147.0	13,064.3	13,313.2
1003 General Fund Match	1,807.9	1,815.4	1,779.5
1004 General Fund Receipts	1,172.5	1,104.2	1,076.1
1007 Inter-Agency Receipts	343.9	360.0	0.0
<b>Funding Totals</b>	<b>14,471.3</b>	<b>16,343.9</b>	<b>16,168.8</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	11,147.0	13,064.3	13,313.2
Interagency Receipts	51015	343.9	360.0	0.0
<b>Restricted Total</b>		<b>11,490.9</b>	<b>13,424.3</b>	<b>13,313.2</b>
<b>Total Estimated Revenues</b>		<b>11,490.9</b>	<b>13,424.3</b>	<b>13,313.2</b>

**Summary of Component Budget Changes  
From FY2004 Authorized to FY2005 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2004 Authorized</b>	<b>2,919.6</b>	<b>13,064.3</b>	<b>360.0</b>	<b>16,343.9</b>
<b>Adjustments which will continue current level of service:</b>				
-Transfer for grants and contracts consolidation to Admin Support Services	-61.0	0.0	0.0	-61.0
-Work Services Component share of EPR charges from Information Technology Services Component	3.7	3.4	0.0	7.1
-Adjust Federal TANF allocations	0.0	252.6	0.0	252.6
-Changes to Retirement and Other Personal Services Rates	21.4	0.7	0.0	22.1
-Transfer inter-agency receipts to Fraud Investigation ADN 0640051	0.0	0.0	-75.0	-75.0
<b>Proposed budget decreases:</b>				
-Delete vacant position	-26.1	0.0	0.0	-26.1
-Department-wide travel reduction	-2.0	-7.8	0.0	-9.8
-Delete Excess Inter-Agency Receipts	0.0	0.0	-285.0	-285.0
<b>FY2005 Governor</b>	<b>2,855.6</b>	<b>13,313.2</b>	<b>0.0</b>	<b>16,168.8</b>

**Work Services  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2004</u> <u>Authorized</u>	<u>FY2005</u> <u>Governor</u>		
Full-time	9	7	Annual Salaries	378,005
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	160,970
			<i>Less 2.96% Vacancy Factor</i>	(15,975)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>9</b>	<b>7</b>	<b>Total Personal Services</b>	<b>523,000</b>

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Administrative Clerk III	0	0	1	0	1
Prog Coordinator	0	0	2	0	2
Public Assist Analyst II	0	0	1	0	1
Public Asst Prog Off	0	0	1	0	1
Social Svcs Prog Coord	0	0	1	0	1
Social Worker III	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>7</b>